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## School system retirees 'double dip' with waiver

The Boston Globe

### Collect full salaries plus their pensions

By Tracy Jan, Globe Staff | June 28, 2008

Nearly 100 retired educators in the Commonwealth were allowed to earn their full salaries while collecting full pensions in the past school year, a growing practice critics call state-sanctioned "double dipping."

The retirees collectively made more than \$5 million on the job while taking home \$5.5 million in pension payments, according to information obtained by the Globe.

The Globe review found that the state Department of Elementary and Secondary Education routinely approved these special arrangements and frequently ignored its own guidelines that require school districts to provide proof that they advertised for the position and were unable to find other qualified candidates.

Critics say the practice, which was designed to make it easier for districts to fill hard-to-staff positions, leaves the door open for abuse, enticing a pool of well-connected retirees to move from one job to the next or stay indefinitely in a position that should have been filled by a nonretiree. In some cases, school districts have been allowed to continue rehiring the same retiree rather than readvertising for the position each year and providing fresh proof that they could find no one else to fill the spot, another state requirement.

The use of the exemption has tripled over the past eight years, growing to the point that it has prompted the governor's new education secretary and legislators to call for closer scrutiny of the practice. Some lawmakers suggested that the state should place a cap on how much these retirees can earn and how long they can serve.

"You don't want to be paying them twice what they otherwise would be entitled to," said state Senator Robert Antonioni, cochairman of the Legislature's Joint Committee on Education. "That's not good public policy."

Education officials said the use of retirees in these positions is necessary, but acknowledged that the application process could be more rigorous.

"We don't just rubber stamp these applications," said Heidi Guarino, Education Department spokeswoman. "We work with the district to make sure they have done their due diligence. . . . Could the process be tightened? Probably."

And many of the working retirees defend their pay, saying they are fulfilling important roles nobody else wants, positions taxpayers would otherwise pay less-qualified personnel to perform.

"I'm double dipping and I'm happy to be doing it," said Ralph Olsen, 62, who is finishing up his second year as principal of Durfee High School in Fall River and plans to return next school year. Olsen, who retired as Framingham High School principal in 2004, earns \$87,311 a year in pension income and makes \$140,000 a year in his new position.

The income boost sets him up for his real retirement down the road, providing extra "security in my waning years," he said. "I'd like to think the benefits are mutual."

State law strictly limits how much public retirees can earn if they return to a government job, barring them from earning more, pension and salary combined, than they would receive if they had not retired. But in 2000, the Legislature created an exemption for certain educators, because of concerns that an early-retirement incentive program would send hundreds of teachers into retirement and create widespread shortages - an exodus that

never came to pass.

Under the law, school districts can request these "critical need" waivers for educators filling hard-to-staff positions, such as math, science, and special education jobs, and for those willing to be superintendent or principal - positions that have become more difficult to fill nationwide with the increased focus on accountability.

With each application, school districts are supposed to demonstrate that they have made a "good-faith effort" to hire nonretirees by providing proof that they advertised for the position, a list of candidates, and an explanation of why they were not qualified or declined the job, according to state Education Department guidelines. A Globe review of the applications, obtained through a public records request, revealed that dozens failed to meet these basic requirements.

Some watchdogs criticize the very premise of granting anyone this sort of exemption. The state pension system was set up in the early 1900s, before Social Security, to provide retired public employees with a measure of security and income, not to supplement a salary, pension officials said.

"The notion that somebody could be collecting a full salary and full retirement benefits really is an abuse and is very troubling," said Michael Widmer, president of the Massachusetts Taxpayers Foundation. "In effect, it is double dipping. It's this kind of practice that undercuts the public trust in government."

Eugene Thayer, the highest paid of the working retirees, said taxpayers are getting their money's worth. He earns \$192,000 a year as superintendent of Framingham schools, the latest in a string of short-term superintendent posts over the past eight years. His pension is worth an additional \$85,000 a year.

The 72-year-old just signed on for a second year leading Framingham schools.

"It would be a shame to waste the experience I've gained over the years," he said.

Nothing prevents the waivers from being renewed indefinitely. About 25 percent of districts request renewals, according to the state Education Department; several retirees have already been granted permission to continue in their positions next school year.

Although Boston headmaster Peggy Kemp retired in 1992, she has been leading Fenway High School for the last five years. She commands a \$116,945 salary as well as a \$20,822-a-year pension.

Kemp declined to comment, but the application the district submitted contained no documentation of yearly advertising or any attempt to find a nonretired candidate. Materials supporting her yearly renewal request have not been updated since 2003.

Paul Reville, who will become state education secretary Tuesday, said the department must reexamine how these positions are approved, but acknowledges that the need for the waivers will continue, in light of continued teacher shortages.

"You wouldn't want to disadvantage our school districts from getting the talent they need," he said. But "nobody wants to see the pension abused in any way."

William Guenther, president of Mass Insight Education, suggested changing the retirement structure to allow educators filling critical need subjects to go into partial retirement and collect only a portion of their pension as they continue to work and earn a full salary.

"We need to go about it in a way that's attractive to the employee but also fair to the taxpayers," Guenther said, "so we're not charging taxpayers twice."

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